

24 MAR 1965

MEMORANDUM FOR: Director of Security

SUBJECT : Pending Legislation, H. R. 534

1. The reference was one of the attachments to the memorandum of 26 February 1965 requesting report and recommendations on referred legislative actions pending in the Congress.
2. There would be an Agency security interest in the provisions of this Bill should it be enacted into law. There are no recommendations, however, as to any action to be taken while it is pending.
3. The Bill would provide that officers and employees both of government contractors and of any labor union which represents such employees, execute loyalty statements.
4. From a security standpoint, we would welcome such a law. The act would place the compliance responsibility upon the government agency entering into the contract. This would involve the work of the Office of Logistics and other contracting components of the Agency, as well as the Office of Personnel, in its handling of some of its personal services contracts. Policing of compliance probably would be part of our Industrial Contract Security Program.
5. Problems would arise as to [redacted] procurement, and as to contracting by [redacted]. Neither the Agency nor its kind of activities are excepted from the provisions of the Bill. Difficulties might arise for us, but these would not be insurmountable. 25X1A
6. It can be anticipated that such proposed legislation would be the subject of considerable discussion in Congressional committee hearings, and generally by the public, before its possible enactment.

The ultimate form of the Bill, if it has any chance of serious consideration and possible enactment, undoubtedly would differ substantially from its present wording. We will follow the progress of the Bill with considerable interest, and, of course, will advise concerning this.

25X1A

[REDACTED]  
Deputy Director of Security (PPS)

Attachment:  
H. R. 534

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